

SECTION 85—PERFORMANCE METRICS (SCHEDULE V)

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Summary of Changes

This new section describes performance metrics that we will publish in the budget. In conjunction with other changes in the P&F schedule, this new schedule will help provide a framework to better link cost and performance data. Agencies are encouraged, but not required, to show performance metrics for accounts in the FY 2005 Budget.

85.1 What do I need to know about the performance metrics schedule?

In the past two years, some agencies used informational tables to show performance metrics for some of their accounts in the *Appendix*. These metrics typically included outputs or workload measures. The performance metrics added a new dimension to the *Appendix*, but they failed to tell a complete story as they did not include related cost information. In addition, even informed readers could not necessarily make a link between the performance metrics and cost information in other Budget schedules, particularly the program activities in the program & financing (P&F) schedule.

As an upgrade to the informational tables used in the past to show performance metrics, the FY 2005 Budget will include a schedule that shows these metrics. Using a schedule, rather than informational tables, provides a better framework to collect performance metrics, and better relates them to obligations in the P&F. Your performance metrics will consist of either short-term outcomes (that relate to long-term outcomes in the agency strategic plan and/or performance budget) or outputs and output characteristics described in your agency's performance budget. (See [section 26](#) for information on performance budgets.) You may find it helpful to use the following two criteria to select performance metrics for this schedule:

First, choose a small number of the most important metrics you wish to showcase in the budget. You will not typically include all metrics, which readers can find in your agency's performance budget. You should use metrics from the Performance Assessment Rating Tool (PART) if the account, or a component of the account, has been rated by the PART. As the PART performance measures focus on outcomes, which may be difficult to relate to annual funding levels, you may choose to include output metrics not explicitly listed in the PART. In addition, during the PART assessment you should tell your OMB examiner what metrics you propose to highlight in the Budget.

Second, when possible, show metrics that you can directly track against obligations. For some accounts, this alignment may be impractical.

Agencies are encouraged, but not required, to show performance metrics for accounts in the FY 2005 Budget. Cabinet departments and major independent agencies are encouraged to show performance metrics for at least one account per bureau. Other agencies are also encouraged to show performance metrics for at least one of their accounts.

85.2 How does the performance metrics schedule relate to the P&F?

The program by activity section in the P&F schedule has been modified so that agencies can show performance activities, and their related obligations, within program activities. You use performance activity lines in the P&F to show the financing that is directly related to a specific performance metric (e.g., outcomes or outputs).

For example, in the FY 2004 Budget, the Bureau of Land Management within the Department of the Interior (DOI) showed a Management of lands and resources account, which includes a program activity named Land resources. One component of land resources involves managing wild horses and burros, and was shown in the FY 2004 Budget in an information table on workload and performance measures.

If DOI could readily determine the obligations related to wild horses and burros, and decided this was an important performance metric to include in the FY 2005 Budget, it could do so by showing the outputs related to the wild horses and burros in the performance metric schedule. It would also add a performance activity, with related obligations, for wild horses and burros under the Land Resource program activity in the P&F.

Accounts that include performance metrics in the FY 2005 Budget must link to obligations in the P&F schedule in one of three ways.

First, you can create a direct link between obligations and performance metrics within the account. You can do this by using a P&F performance activity, and showing one metric for this activity. When doing this, the obligations for the P&F performance activity are used to finance the performance metric, and do not finance other activities. You may only use one performance metric per P&F performance activity.

Second, you can create a less direct link between obligations and performance metrics within the account. You can do this by using a P&F program activity, and showing one or more related performance metrics. When doing this, the obligations shown for the P&F program activity finance the performance metric(s), and, potentially, other metrics that may not be shown. In this case, there is a direct link between the program activity and the metric, but it is not clear what level of obligations finance each metric.

Third, you can create an indirect link between obligations and performance metrics within the account. You can do this by selecting one or more performance metrics that relate to the account as a whole, or to two or more program activities within the account, rather than relating to either a P&F performance activity or a P&F program activity. When doing this, the total obligations shown for the account finance the performance metric(s), as well as other metrics that may not be shown. In this case, there is a direct link between the account and the metric, but it is not clear what level of obligations finance each metric.

85.3 How does the line numbering work for the performance metrics schedule?

The line code consists of a 4-digit line number and 2-digit line serial number. The table below shows what line codes you should use when completing the schedule on performance metrics.

SCHEDULE OF PERFORMANCE METRICS

Entry	Description
XXXX.XX	<p>When one performance metric is financed from a P&F performance activity, use the same line number and line serial number you used for the P&F performance activity.</p> <p>You may only use one performance metric per P&F performance activity.</p> <p>You must use the MAX A-11 data entry software to indicate whether the metric is an outcome or an output.</p>
XXXX.9#	<p>When a P&F program activity finances one or more performance metrics, use the same line number you used for the P&F program activity. In addition, use 9 for the first digit of the line serial number, and use 1-9 for the second digit of line serial number.</p> <p>You may provide up to nine performance metrics for a single P&F program activity.</p> <p>You must use the MAX A-11 data entry software to indicate whether the metric is an outcome or an output.</p>
1000.XX	<p>When there is no direct link between a performance metric and either a program activity or a performance activity in the P&F, use 1000 as the line number. Use 01 through 10 as the line serial number.</p> <p>You may provide up to 10 performance metrics that relate to a single P&F account.</p> <p>You must use the MAX A-11 data entry software to indicate whether the metric is an outcome or an output.</p>
9999.99	<p>Use line 9999 and line serial number 99 to provide a web address where readers can find additional information about performance metrics related to this account. This web address may point readers to the agency's strategic plan or performance budget.</p>

85.4 What would an example of this schedule look like?

Here is an example of a program by activity section in the P&F, and a performance metrics schedule that has four metrics related to the Land resources activity. This example illustrates the second type of link between obligations and performance metrics discussed in Section 85.2. In this case, there is a link between the program activity and the metrics, but it is not clear what level of obligations finance each metric.

Sample Program by Activity Section Program and Financing Schedule				
<i>Identification code 14-####-0-1-302</i>		<i>2003 actual</i>	<i>2004 est.</i>	<i>2005 est.</i>
Obligations by program activity				
00.11	Land resources	###	###	###
00.12	Wildlife and fisheries	###	###	###
00.13	Threatened and endangered species	##	##	##
00.14	Recreation management	##	##	##
09.01	Reimbursable program	##	##	##
10.00	Total new obligations	<u>#,###</u>	<u>#,###</u>	<u>#,###</u>

Sample Performance Metrics				
<i>Program Activity and Metrics</i>		<i>2003 actual</i>	<i>2004 est.</i>	<i>2005 est.</i>
00.11.00	Land resources program activity			
00.11.91	Energy related land use plans completed	4	5	6
00.11.92	Grazing Permits Renewed	1,600	1,600	1,600
00.11.93	Recreation sites in good or fair condition based on facility condition index (%)	82	84	85
00.11.93	Restoration treatments to achieve desired condition (# of acres treated)	500,000	400,000	300,000
<i>Location of additional performance information</i>				
99.99.99	www.webaddress.gov			